

d/c 32.15

**STAUFFER CHEMICAL COMPANY
AND AFFILIATED COMPANIES
APPROPRIATION REQUEST**

COMPANY Montrose Chemical Corp. LOCATION Torrance, California
 A. R. NO. 186-12
 SUBMITTED BY B. I. Bratter DATE June 26, 1956
 AMOUNT \$10,050.00

CLASSIFICATION:
 NEW ADDITION _____ ACCOUNT NO. _____
 REPLACEMENT _____ DEPRECIATION RATE 3 years
 MAINTENANCE _____
 OTHER _____

BRIEF DESCRIPTION OF PROJECT Install additional separator and storage tank

ESTIMATED ANNUAL SAVINGS: YEARS REQUIRED TO RECOVER COST:
 AFTER TAXES _____ AFTER TAXES _____

% OF RETURN ON INVESTMENT _____
 % OF RETURN ON SALES _____

OTHER REASONS FOR REQUEST To provide additional acid storage

BUDGET CLASSIFICATION:
 NECESSARY _____ DESIRABLE _____ CONTINGENT _____ BUDGET NO. _____
 IF NOT BUDGETED INDICATE BY AN "X" HERE X

IS THIS A REVISION OF AN A. R. PREVIOUSLY
 SUBMITTED BUT NOT APPROVED? no PREVIOUS A. R. NO. _____
 PROPOSED STARTING DATE 8/1/56 ESTIMATED COMPLETION DATE 11/1/56
 ADDITIONAL DATA ON PAGES 2 THROUGH 4 ATTACHED

ROUTE TO	APPROVED	DISAPPROVED	DEFERRED	DATE	DISTRIBUTION
A. R. Wilson	<i>[Signature]</i>			6/27/56	1. President Stauffer
Original Signed by P. ROTHBERG				8/30/56	2. President Montrose
P. Rothberg					3. Production Mgr. West
M. Speelman					4. Treasurer Montrose
					5. Accounting Montrose
					6. Plant Manager
					7. Asst. Treas. San Fran.
					8. Chief Asst. San Fran.
					9.
					10.
					11.

Form 99-6 -- 276-1-56-10M (1-2)

MONDC100000708

U.S., et al. v. Montrose, et al.
 U.S.D.C. Case No. CV 90-3122-R
 Plaintiffs' Exhibit No. 532
 Date Presented: _____
 Date Admitted: _____

June 26, 1956

1) Description of Proposed Work

This appropriation request is for the installation of an additional separator acid storage tank which will operate in series with the existing tank.

The principle work required is as follows:

- a) Install a 22,000 gallon storage tank on concrete saddles and a concrete foundation.
- b) Provide necessary pumps, valves, piping and gauges.
- c) Install stairways and platform as needed.

2) Inadequacy or Replacement of Present Facilities

At the present time one 22,000 gallon tank serves as storage for separator acid. This acid comes from the glass lined separators where the acid is separated by gravity from the less dense molten DDT. Under normal conditions, only traces of DDT are entrained in the acid. If the separators are turbulent, large quantities of DDT are carried over with the acid. When this happens, the DDT separates out in the 22,000 gallon storage tank and floats on top of the acid.

This acid is presently either shipped to Henderson or out to sea. Normally the acid shipped is essentially free of DDT. During a period of unbalance, the separator acid storage tank is susceptible to a very rapid accumulation of DDT. As the amount of DDT builds up in this tank the % of DDT in the shipped acid increases. This varies from a trace to 9% DDT.

Installation of a second separator acid storage tank would insure a minimum loss of DDT to sea because the present tank would remain full and permit any DDT to separate out. The DDT acid would be drawn off of the bottom by means of a florentine leg before flowing to the new tank. Thus all of the DDT would settle out in the existing tank which would be cleaned as often as necessary. The new tank would be used to unload acid for shipment.

3) Additional Use of Plant Facilities

This project will not put any additional burden on any of the plant facilities.

4) Alternatives to This Appropriation Request

None suggested.

MONDC100000709

June 26, 1956

5) Estimated Cost of Project

a) Concrete foundation	\$2500.00
b) Separator acid storage tank	3800.00
c) Acid piping, valves and gauges	1100.00
d) Pump, motor and electrical connection	1000.00
e) Stairway and platform	600.00
f) Crane service	150.00
g) Contingencies	900.00
Total	\$10,050.00

6) Estimated Annual Savings or Earnings

During a recent 6 week period when the accumulation of DDT in the separator acid storage tank was high, samples were taken on half of the shipments sent to sea. Each sample was analysed for % DDT. The amount lost was 15,000 pounds of DDT, and the total amount lost to sea during this period was 30,000 pounds.

No checks were made of acid shipped to sea before this period. Assuming one period a year as described above, and a loss of 10,000 pounds over the rest of the year, it makes the annual loss of DDT to sea at 40,000 pounds. The approximate value of DDT in this phase of our operation is .10¢ per pound, making a gross annual saving of \$4,000.00.

This equipment would have a life of approximately 3 years.

Savings per year	\$4,000.00
Less depreciation	1,350.00
Savings before taxes	650.00/year
Savings after taxes (53.75%)	310.00/year

years required to recover cost after taxes:

$$\frac{10050}{(3350-310)} = 2.75 \text{ years}$$

7) Other Considerations

a) Additional acid storage space. At the present time we are running low of acid storage space. There is only one 10,000 gallon storage tank left. This is used when ever a tank is being cleared or repaired. If there were two tanks that needed repair at the same time, we would undoubtedly lose some operating time.

Appropriation Request No. 106-12

June 26, 1956

b) Acid Recovery. A pilot plant is being built for this purpose. A second separator acid storage tank would insure a clean acid supply for these experiments and for the future acid recovery plant.

c) Salable acid. Having a supply of clean, DDT-free separator acid would make this product much more salable if the proper customer can be found.

BIB:pm

B. I. Bratter

Page 4

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